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MINUTES OF MEETING BOARD OF PUBLIC WORKS, JANUARY 23, 1940.

The meeting of the Board of Public Works was held January 23, 1940 in the office of the Treasurer of Maryland, State Office Building, Annapolis, Maryland. There were present:

Herbert R. O'Connor, Governor
J. Millard Tawes, Comptroller
Hooper S. Miles, Treasurer

Mr. Walter N. Kirkman, Director of the Department of Budget and Procurement, and Mr. Wm. L. Rawls, of the law firm Marbury, Gosnell & Williams, also attended the meeting.

GENERAL BOND ISSUE OF 1939 - February 15th, 1940 Installment:

The Board proceeded to open proposals for the purchase of \$1,370,000 General Bond Issue of 1939, Issue of February 15th, 1940, in accordance with advertisements appearing in Baltimore Sun and the Baltimore News-Post, of January 8, 12, 15 and 19th, 1940, and the Bond Buyer and The Wall Street Journal of January 10th, 1940, as follows:

STATE OF MARYLAND
TREASURY DEPARTMENT
\$1,370,000 "General Bond Issue of 1939"

Annapolis, Md.

Pursuant to Chapter 756 of the Acts of the General Assembly of Maryland, Session of 1939, providing for the issue of the Certificates of Indebtedness herein mentioned and described, and pursuant also to a resolution of the Board of Public Works of Maryland passed the 13th day of December, 1939, and on file and open to inspection in the office of the said Board in Annapolis, Md., the Treasurer of the State of Maryland will receive bids or proposals for Certificates of Indebtedness of the State of Maryland as follows:

\$1,370,000 CERTIFICATES OF INDEBTEDNESS KNOWN AS
"GENERAL BOND ISSUE OF 1939"

Said Certificates of Indebtedness will all be dated February 15th, 1940. The bidders are requested to indicate in their bids the rate of interest to be paid on the bonds, on which rate their bids are to be based and submitted. The rate named must be a multiple of one-fourth of one per centum, the interest to be payable semi-annually on the 15th days of August and February, respectively, during the continuance of said loan, and all bids shall be based on an offering to pay not less than par for the bonds. The principal of said loan will be payable upon the Serial Annuity Plan, as more fully set forth in said Act of 1939, Chapter 756, as follows:

GENERAL BOND ISSUE OF 1939		
Series	Amount	Redeemable
"N"	\$ 88,000	February 15, 1943
"O"	90,000	February 15, 1944
"P"	93,000	February 15, 1945
"Q"	96,000	February 15, 1946
"R"	99,000	February 15, 1947
"S"	102,000	February 15, 1948
"T"	105,000	February 15, 1949
"U"	108,000	February 15, 1950
"V"	111,000	February 15, 1951
"W"	114,000	February 15, 1952
"X"	118,000	February 15, 1953
"Y"	121,000	February 15, 1954
"Z"	125,000	February 15, 1955

to submit specifically just what is desired in the way of salary changes.

There being no further business, the meeting was adjourned.

Joseph O. McCusker
Secretary

The said Certificates of Indebtedness will be of the denomination of \$1,000 each, subject to registration as to principal, and all will be issued with interest coupons attached.

This loan and the interest payable thereon is exempt from the Federal income tax and from State, county and municipal taxation in the State of Maryland.

The said bids or proposals must be delivered to the Treasurer of the State, AT HIS OFFICE IN ANNAPOLIS, MD., before 12 o'clock noon on Tuesday,

JANUARY 23rd, 1940.

Each bid must be for cash on delivery and must be inclosed in a sealed envelope addressed on the outside "Proposal for General Bond Issue of 1939." Each bid must be accompanied by a certified check upon some responsible banking institution, drawn to the order of the Treasurer of Maryland, for five per cent. of the par value of the amount bid for. All bids or proposals will be opened at 12 o'clock noon on Tuesday, January 23rd, 1940, in the presence of the undersigned.

On the opening of said proposals as many of said Certificates of Indebtedness as have been bid for, not exceeding, however, the amount of which proposals are invited, may be awarded by the Governor, the Comptroller of the Treasury and the Treasurer, or a majority of them to the highest responsible bidder or bidders therefor for cash, and if two or more responsible bidders have made the same bid and such bid is the highest and the certificates so bid for by such highest responsible bidders are in excess of the whole amount of certificates as offered for sale then such Certificates of Indebtedness may be awarded in a ratable proportion to such responsible bidders bidding the same price.

The undersigned, may, in their discretion, accept one bid for all of said loan or separate bids for parts of said loan as may produce the largest amount, and they may, in their discretion, accept bids which may be for parts of said loan, but are not for all, and they reserve the right in their discretion to reject all bids or any bids.

The Certificates of Indebtedness awarded will be delivered to the successful bidder or bidders upon receipt of the amount of the successful bid or bids and any accrued interest due on Thursday, February 15th, 1940 AT THE OFFICE OF THE STATE TREASURER, Annapolis, Md.

Bidders are referred to the said Chapter 756 of the Acts of the General Assembly of 1939 as containing the full terms and provisions of this loan.

It is one of the terms of this offering that the bonds when issued will be the legal and valid binding obligations of the State. The opinion of the Attorney General of Maryland and the opinion of Marbury, Gosnell and Williams to this effect will be delivered to the successful bidder. Bidders may, if they wish, make the legality and validity of the bonds one of the terms of the bid by making the bid "subject to legality" or using any equivalent form of expression, but without leaving this question to the decision of the bidders or their counsel. All bids conditioned upon the approval of bidders or counsel, whether named or unnamed, will be treated as conditional bids and rejected unless the condition is waived by the bidder to the satisfaction of the Board before the award has been made.

HERBERT R. O'CONOR, Governor

J. MILLARD TAWES,

Comptroller of the Treasury

HOOPER S. MILES, Treasurer.

The Board proceeded to open bids which were received, as follows:

BANKERS TRUST COMPANY

16 Wall Street
New York

January 23, 1940

The Honorable Hooper L. Miles, Treasurer
State of Maryland
Annapolis, Maryland

Sir:

For all but no part of the following described, legally issued, properly executed direct general obligations of the State of Maryland, namely \$1,370,000 "General Bond Issue of 1939" Certificates of Indebtedness, to be dated February 15, 1940 to bear interest at the rate of one and one-half per centum ($1\frac{1}{2}\%$) per annum, to mature as follows:

<u>Amount</u>	<u>Series</u>	<u>Maturity</u>
\$88,000	"N"	February 15, 1943
90,000	"O"	February 15, 1944
93,000	"P"	February 15, 1945
96,000	"Q"	February 15, 1946
99,000	"R"	February 15, 1947
102,000	"S"	February 15, 1948
105,000	"T"	February 15, 1949
108,000	"U"	February 15, 1950
111,000	"V"	February 15, 1951
114,000	"W"	February 15, 1952
118,000	"X"	February 15, 1953
121,000	"Y"	February 15, 1954
125,000	"Z"	February 15, 1955

without option of prior payment, to be in coupon form in the denomination of \$1,000 registerable as to principal only, principal and semi-annual interest (February 15 and August 15) payable in Baltimore, Maryland and as further described in the official notice of sale signed, Herbert R. O'Connor, Governor; J. Millard Tawes, Comptroller of the Treasury and Hooper S. Miles, Treasurer, we will pay the sum of \$1,393,947.60 or \$ 101.748 for each \$100 par value of certificates and accrued interest from date of certificates to date of delivery to us.

This bid is made subject to our being furnished without expense to us, at the time of the delivery of these certificates, legal opinion of the Attorney General of the State of Maryland and Messrs. Marbury, Gosnell & Williams, approving the validity of the certificates.

As evidence of our good faith in bidding, we enclose certified check in the amount of \$68,500 payable to the order of "The Treasurer of Maryland". If this proposal is accepted, this check is to be retained as part payment for the above mentioned \$1,370,000 Certificates of Indebtedness; otherwise it is to be returned immediately to our representative.

This bid is for immediate acceptance.

Very truly yours,

Bankers Trust Company
Glore Forgan & Co.
Union Securities Corporation
Robert Garrett & Sons
G.M.P. Murphy & Co.
by Bankers Trust Company
(signed) E. F. Dunstan
Vice President

EFD FFS 4
Enc. . .

ALEX. BROWN & SONS

Baltimore, Maryland

Honorable Hooper S. Miles, Treasurer
State of Maryland
Annapolis, Maryland

January 23, 1940

Dear Sir:

For all but not for any part of \$1,370,000 STATE OF MARYLAND $1\frac{1}{2}\%$ CERTIFICATES OF INDEBTEDNESS known as GENERAL BOND ISSUE OF 1939, to be dated February 15, 1940, to mature serially from February 15, 1943 to February 15, 1955, both inclusive, without option of prior payment, as more particularly described in the attached notice of sale, which is hereby made a part of our bid, we will pay \$101.059 and accrued interest to date of delivery for each \$100. principal amount thereof.

The above Certificates of Indebtedness are to be legal and valid binding general obligations of the State of Maryland, the State agreeing to furnish the opinion of the Attorney General of Maryland and the opinion of Messrs. Marbury, Gosnell & Williams, showing same prior to delivery.

We enclose our certified check in the amount of \$68,500.00, drawn to the order of the Treasurer of Maryland, as a deposit in accordance with the terms of our bid which we would ask to have returned promptly to our representative in case the Certificates of Indebtedness are not awarded to us.

Yours very truly,

ALEX. BROWN & SONS
THE CHASE NATIONAL BANK OF THE
CITY OF NEW YORK

Enc.

By: Alex. Brown & Sons

CHEMICAL BANK & TRUST COMPANY
165 Broadway
New York

January 23, 1940

Mr. Hooper S. Miles, Treasurer
State of Maryland
Annapolis, Maryland

Dear Sir:

For all or none of the following described, legally issued, properly executed, general obligations of the State of Maryland, namely,

\$1,370,000 CERTIFICATES OF INDEBTEDNESS KNOWN AS
"GENERAL BOND ISSUE OF 1939"
Dated February 15, 1940

Series	Amounts	Maturities
"N"	\$88,000	February 15, 1943
"O"	90,000	February 15, 1944
"P"	93,000	February 15, 1945
"Q"	96,000	February 15, 1946
"R"	99,000	February 15, 1947
"S"	102,000	February 15, 1948
"T"	105,000	February 15, 1949
"U"	108,000	February 15, 1950
"V"	111,000	February 15, 1951
"W"	114,000	February 15, 1952
"X"	118,000	February 15, 1953
"Y"	121,000	February 15, 1954
"Z"	125,000	February 15, 1955

to be in coupon form, in the denomination of \$1,000 subject to registra-

tion as to principal; principal and semi-annual interest (February 15th and August 15th) payable in Baltimore, Maryland, in lawful money, the successful bidder to be furnished with the unqualified approving opinions of the Attorney General of the State of Maryland and Messrs. Marbury, Gosnell & Williams, to the effect that these certificates of indebtedness are general obligations of the State of Maryland for which the full faith and credit of the State are pledged, all as set forth in the notice of sale attached hereto and made a part of this bid;

We will pay par (\$1,370,000) and accrued interest to delivery date, plus a premium of \$20,810.30 for the \$1,370,000 Certificates of Indebtedness bearing interest at the rate of 1.1/2%.

As evidence of our good faith we are attaching hereto certified check for \$68,500 to the order of "Treasurer of Maryland", being the 5% deposit required; these funds to be retained by you as part payment of the purchase price in the event we are the successful bidder, otherwise to be returned forthwith.

Yours very truly,

CHEMICAL BANK & TRUST COMPANY
KEAN, TAYLOR & CO.
R.L. DAY & CO.
E. H. ROLLINS & SONS, INCORPORATED

BY CHEMICAL BANK & TRUST COMPANY
E. C. Williams
Assistant Vice President

ECW:RJ
Encl.

FIRST NATIONAL BANK

Baltimore, Md.

January 23, 1940

The Honorable Hooper S. Miles, Treasurer
State of Maryland
Annapolis
Maryland

Dear Sir:

For certain Certificates of Indebtedness of the State of Maryland, namely \$1,370,000 Certificates of Indebtedness Known as "General Bond Issue of 1939", more fully described in the attached advertisement, which is part of this proposal, we respectfully bid you

\$ 101.119

for each One Hundred Dollars par value, and accrued interest to the date of delivery, for all or none of the \$1,370,000 par value of Certificates, to bear coupons for Interest at the rate of One and One-half (1½%) Per Centum per annum.

As evidence of good faith, we enclose herewith certified check in the amount of \$68,500.00, drawn to the order of the Treasurer of Maryland, being five per cent of the par value bid for.

Respectfully yours,

FIRST NATIONAL BANK OF THE CITY OF NEW YORK
R. W. PRESSPRICH & COMPANY, New York
MERCANTILE-COMMERCE BANK & TRUST COMPANY,
St. Louis
FIRST NATIONAL BANK OF BALTIMORE

BY FIRST NATIONAL BANK OF BALTIMORE
J. D. Harrison
Vice President

HALSEY, STUART & CO., INC.
35 Wall Street
New York, N.Y.

January 23, 1940

Hon. Hooper S. Miles, Treasurer
State of Maryland
Annapolis, Maryland

Dear Sir: For One Million Three Hundred Seventy Thousand Dollars (\$1,370,000) STATE OF MARYLAND CERTIFICATES OF INDEBTEDNESS known as "GENERAL BOND ISSUE OF 1939", offered for sale Tuesday, January 23, 1940, at 12 o'clock noon, which Certificates represent legal and binding obligations of the State of Maryland for the payment of which the full faith and credit of the State are pledged, to be issued in coupon form in the denomination of \$1,000, registerable as to principal and interest, principal and semi-annual interest, February 15 and August 15, payable in Baltimore, Maryland, Certificates to be dated February 15, 1940 and to mature without option of prior payment as follows:

\$88,000 due February 15, 1943	
90,000 due February 15, 1944	\$108,000 due February 15, 1950
93,000 due February 15, 1945	111,000 " February 15, 1951
96,000 " February 15, 1946	114,000 " February 15, 1952
99,000 " February 15, 1947	118,000 " February 15, 1953
102,000 " February 15, 1948	121,000 " February 15, 1954
105,000 " February 15, 1949	125,000 " February 15, 1955

and in all other respects as set forth in the official notice of sale, we bid Par and accrued interest to date of delivery plus a premium of \$13,097.20 for Certificates bearing interest at the rate of 1.50 percentum per annum. (100.956)

It is understood that the Certificates will be delivered to us accompanied by the unqualified approving opinion of the Attorney General of the State of Maryland and the opinion of Messrs. Marbury, Gosnell & Williams whose opinions will be furnished by the State.

We are enclosing herewith our good faith check in the amount of \$68,500 to be held by you pending the fulfillment of our contract if we are the successful bidder. If our bid is not successful, please return our check immediately.

Respectfully submitted,

HALSEY, STUART & CO. INC.
BLAIR & CO., INC.
LADENBURG, THALMANN & CO.
HEMPHILL, NOYES & CO.
ADAMS, MCENTEE & CO, INC.
B.J. VAN INGEN & CO., INC.
STARKWEATHER & COMPANY
STERN BROTHERS & COMPANY

By HALSEY, STUART & CO., INC.

HARRIMAN RIPLEY & CO.
63 Wall Street
New York

January 23rd, 1940

Hon. Hooper S. Miles, Treasurer
State of Maryland
Annapolis, Maryland

Dear Sir:

For all but no part of -

\$1,370,000 STATE OF MARYLAND, Certificates of

Indebtedness "General Bond Issue of 1939"
 Bearing interest at the rate of 1 1/2% per annum
 Dated February 15, 1940
 Maturing, without option of prior payment, February 15
 as follows:

<u>Series</u>	<u>Amount</u>	<u>Maturity</u>
N	\$ 88,000	1943
O	90,000	1944
P	93,000	1945
Q	96,000	1946
R	99,000	1947
S	102,000	1948
T	105,000	1949
U	108,000	1950
V	111,000	1951
W	114,000	1952
X	118,000	1953
Y	121,000	1954
Z	125,000	1955

Coupon Certificates \$1,000 denomination, registerable as to principal.

Principal and semi-annual interest, February 15 and August 15, payable in lawful money of the United States of America at Baltimore, Maryland.

This loan and the interest payable thereon is exempt from the Federal income tax and from State, County and Municipal taxation in the State of Maryland.

we will pay 101.2899 % and accrued interest to date of delivery, which is equivalent to par and accrued interest plus a premium of \$17,671.63.

This bid is made with the understanding that prior to the delivery of the Certificates to us we will be furnished with a duplicate original copy of the unqualified opinion of the Attorney General of the State of Maryland and of Messrs. Marbury, Gosnell & Williams, to the effect that these Certificates of Indebtedness are legal and binding obligations of the State of Maryland, payable, principal and interest, from ad valorem taxes which may be levied against all of the taxable property therein, without limitation as to rate or amount.

In accordance with the Notice of Sale and our bid, we enclose certified check for \$68,500, being 5% of the par value of the amount of Certificates bid for, and would appreciate your returning this check should the Certificates not be awarded to us.

Very truly yours,
 HARRIMAN RIPLEY & CO., INCORPORATED
 FIRST BOSTON CORPORATION
 HARRIS TRUST & SAVINGS BANK

By: HARRIMAN RIPLEY & CO., INCORPORATED
 (Joint Account Manager)
 By: E. D. Smith - Vice President

EDS:CM
 Enc-

LAZARD FRERES & CO.
 120 Broadway
 New York

January 23, 1940

Mr. Hooper S. Miles
 State Treasurer
 Annapolis, Maryland

Dear Sir:

We offer to purchase, subject to the provisions of the official notice of sale, which notice is hereby made a part of this bid, \$1,370,000 Certificates of Indebtedness of the State of Maryland, known as "General Bond Issue of 1939", bearing interest at the rate of $1 \frac{1}{2}$ per centum per annum and maturing serially from February 15, 1943 to February 15, 1955, both inclusive, as set out in the above mentioned official notice of sale.

For all but no part of the above described Certificates of Indebtedness, we will pay one million three hundred eighty-nine thousand three hundred and three and 30/100 Dollars (\$1,389,303.30) and in addition thereto accrued interest to the date of delivery.

Prior to delivery and payment of the same, you are to furnish us with the approving opinion of the Attorney General of the State of Maryland and the opinion of Messrs. Marbury, Gosnell & Williams, certifying that said Certificates of Indebtedness have been legally issued and constitute general and valid binding obligations of the State of Maryland.

We are enclosing a duly certified check payable to the order of the Treasurer of the State of Maryland, in the amount of \$68,500, which check is to be returned to us if this bid is not accepted, otherwise to be held by the State of Maryland until delivery of the Certificates of Indebtedness and to be retained as and for liquidated damages in case we fail to take up and pay for said Certificates of Indebtedness in accordance with the terms of this bid.

Very truly yours,

Representing:

Lazard Freres & Co.

Lehman-Brethers

C. F. Childs and Company

Equitable Securities Corporation

J. N. Hynson & Co., Inc.

Charles Clark & Co.

Edward Lowber Stokes & Co.

F. W. Craigie & Co.

Tucker, Anthony & Co.

per pro. LAZARD FRERES & CO.
H. W. Hoisington

MACKUBIN, LEGG & COMPANY
Redwood and South Streets
Baltimore

January 23d, 1940

Treasurer of the State of Maryland
Annapolis, Maryland

Dear Sir:

Referring to your request for sealed bids for

\$1,370,000 Certificates of Indebtedness known as
"General Bond Issue of 1939"

to be dated February 15th, 1940 and due serially February 15th 1943 to 1955 inclusive, more particularly described in the attached advertisement, which is made a part of this bid:

For all, but not for any part thereof, bearing interest at the rate of $1\frac{1}{2}\%$ per annum, we hereby offer to pay you 100.949 and accrued interest from date of bonds to date of delivery for each \$100.00 par value thereof.

This bid is made with the understanding that the bonds are the direct obligations of the State of Maryland, the full faith, credit and taxing power of which is pledged for the payment of both principal and interest and that the bonds are legally and validly issued and sold.

As evidence of good faith, we enclose certified check for \$68,500, this check to be used in part payment of the bonds in case our bid is accepted; otherwise to be returned to us promptly.

Very truly yours,
PHELPS, FENN & COMPANY
STONE & WEBSTER AND BLODGET, INC.
THE BOATMEN'S NATIONAL BANK
CHARLES K. MORRIS & CO., INC.
MACKUBIN, LEGG & COMPANY

By Mackubin, Legg & Co.

Check Enclosed.

MERCANTILE TRUST COMPANY
of Baltimore

January 23, 1940

Hon. Hooper S. Miles, Treasurer
State of Maryland
Annapolis, Maryland

Dear Sir:

For all but no part of the following described, legally issued, properly executed, direct general obligation of the State of Maryland, namely \$1,370,000. Certificates of Indebtedness, known as "General Bond Issue of 1939", to be dated February 15, 1940 and maturing February 15, 1943 to February 15, 1955 inclusive, without option of prior payment, to be in coupon form in the denomination of \$1,000., registerable as to principal only, semi-annual interest payable February 15 and August 15, and as further described in official notice of sale signed Herbert R. O'Connor, Governor, J. Millard Tawes, Comptroller of the Treasury and Hooper S. Miles, Treasurer, we bid the sum of \$101.289 for each \$100. Certificate to date of delivery thereof, for bonds bearing $1\frac{1}{2}\%$ interest.

It is understood that we shall be furnished, without expense to us, at time of or prior to the delivery of these certificates, satisfactory legal opinion of the Attorney-General of the State of Maryland, approving the validity of the certificates, together with certified papers examined by him, also the approving opinion of Messrs. Marbury, Gosnell & Williams, attorneys of Baltimore, Maryland.

As evidence of our good faith in bidding, we enclose certified check in amount of \$68,500.00 payable to the order of the Treasurer of Maryland. If this proposal is accepted, this check is to be retained as part payment for the above \$1,370,000. Certificates, otherwise it is to be returned immediately to us.

This bid is made for immediate acceptance.

Yours very truly,
Mercantile Trust Company of Baltimore
Kidder, Peabody & Co., New York, N.Y.
The Northern Trust Co., Chicago, Ill.
Baker, Watts & Co., Baltimore
Stein Bros. & Boyce, Baltimore
Robinson, Miller & Co., Inc., New York
By: MERCANTILE TRUST COMPANY OF BALIMORE
J. R. Crunkleton
Secretary

JRC/S

THE NATIONAL CITY BANK
of New York
New York

January 23, 1940

Hon. Hooper S. Miles, Treasurer
State of Maryland
Annapolis, Maryland

Dear Sir:

For all but no part of the following described, legally issued, properly executed, general obligations of the State of Maryland, namely \$1,370,000 Certificates of Indebtedness, known as "General Bond Issue of 1939", offered for sale January 23, 1940, to be dated February 15, 1940, to be in coupon form in denomination of \$1,000, to bear interest at the rate of one and one half ($1\frac{1}{2}$) per centum per annum, payable semi-annually August 15 and February 15, to mature without option of prior payment

\$88,000 on February 15, 1943
90,000 on February 15, 1944
93,000 on February 15, 1945
96,000 on February 15, 1946
99,000 on February 15, 1947
102,000 on February 15, 1948
105,000 on February 15, 1949
108,000 on February 15, 1950

111,000 on February 15, 1951
 114,000 on February 15, 1952
 118,000 on February 15, 1953
 121,000 on February 15, 1954
 125,000 on February 15, 1955

and to be in all respects as warranted and described in the attached official notice of sale which is hereby made a part of this bid, we will pay \$1,387,810.-- equivalent to \$101.30 for each \$100 par value of Certificates of Indebtedness, and accrued interest from the date of the Certificates to the date of delivery.

This bid is subject to our being furnished, without cost to us, at the time of or prior to the delivery of the Certificates of Indebtedness, with the satisfactory unqualified opinions of the Attorney General of the State of Maryland and Marbury, Gosnell and Williams approving the legality of the issue; also with copy of the record of proceedings and other certified papers examined by them.

As evidence of our good faith in bidding, we enclose herewith the required check in the amount of \$68,500 drawn to the order of Treasurer of Maryland. It is understood that if we are the successful bidders for this issue, our check will be retained as partial payment of the total purchase price named herein, but if we are not the successful bidders, this check will be returned immediately.

This bid is for immediate acceptance.

Very truly yours,
 THE NATIONAL CITY BANK OF NEW YORK
 BLYTH & CO., INC.
 GEO. B. GIBBONS & CO., INC.
 ROOSEVELT & WEIGOLD, INC.
 OWEN DALY & CO.
 By: Owen Daly & Co.

P

SALOMON BROS. & HUTZLER
 60 Wall Street
 New York

January 22, 1940

Mr. Hooper S. Miles
 Treasurer of State of Maryland
 Annapolis, Md.

Dear Sir:

In accordance with your notice of sale, we will pay One million three hundred eighty-two thousand three hundred thirty dollars (\$1,382,330) and accrued interest for \$1,370,000 State of Maryland Certificates of Indebtedness, known as "General Bond Issue of 1939" to be dated February 15, 1940, bearing interest at the rate of 1 1/2% per annum and maturing as follows:

\$88,000	2/15/1943	\$108,000	2/15/1950
90,000	2/15/1944	111,000	2/15/1951
93,000	2/15/1945	114,000	2/15/1952
96,000	2/15/1946	118,000	2/15/1953
99,000	2/15/1947	121,000	2/15/1954
102,000	2/15/1948	125,000	2/15/1955
105,000	2/15/1949		

This bid is "subject to legality" and according to your notice of sale, the bonds when delivered, will be accompanied by the opinion of the Attorney General of Maryland and the opinion of Marbury, Gosnell and Williams.

We enclose certified check for \$68,500 as required by your notice of sale.

Yours very truly,
 SALOMON BROS. & HUTZLER
 L. F. ROTHSCHILD & CO.
 F. S. MOSELEY & CO.
 ESTABROOK & CO.

LEM:AB

By Salomon Bros. & Hutzler

UNION TRUST COMPANY OF MARYLAND
 Baltimore

January 23, 1940

Mr. Hooper S. Miles, Treasurer
 State of Maryland
 Annapolis, Maryland

Dear Sir:

For all but no part of the following described, legally issued, properly executed, direct general obligations of the State of Maryland, namely \$1,370,000 "General Bond Issue of 1939" to bear interest at the rate of $1\frac{1}{2}\%$ per annum, to be dated February 15, 1940, to mature each February 15, as follows:

\$88,000 Bonds 1943	\$108,000 Bonds 1950
90,000 Bonds 1944	111,000 Bonds 1951
93,000 Bonds 1945	114,000 Bonds 1952
96,000 Bonds 1946	118,000 Bonds 1953
99,000 Bonds 1947	121,000 Bonds 1954
102,000 Bonds 1948	125,000 Bonds 1955
105,000 Bonds 1949	

all without option of prior payment, to be in coupon form in the denomination of \$1,000, registerable as to principal only, principal and semi-annual interest (February 15 and August 15) payable at Baltimore, Maryland, and as further described in the official notice of sale signed Herbert R. O'Coner, Governor, J. Millard Tawes, Comptroller of the Treasury, and Hooper S. Miles, Treasurer, we bid the sum of \$1,385,741.30 or \$101.149 for each \$100 bond and accrued interest from date of bonds to date of delivery thereof.

It is understood that we shall be furnished, without expense to us, at time of or prior to the delivery of these Certificates, satisfactory legal opinions of Messrs. Marbury, Gosnell and Williams, Baltimore, Maryland and the Attorney General of the State of Maryland, approving the validity of the Certificates together with certified papers examined by them.

As evidence of our good faith in bidding, we enclose certified check in the amount of \$68,500.00, payable to the order of "Treasurer of the State of Maryland". If this proposal is accepted this check is to be retained as part payment for the above mentioned \$1,370,000 Certificates; otherwise, it is to be returned immediately to us.

This bid is for immediate acceptance.

Very truly yours,
 SMITH, BARNEY & CO.
 UNION TRUST COMPANY OF MARYLAND
 FIRST OF MICHIGAN CORPORATION
 ELDREDGE & CO., INC.
 FIRST NATIONAL BANK OF ST. PAUL

By: Union Trust Company of Maryland
 Wm. G. Dancy
 Assistant Treasurer

WGD/cdt
 Enc.

After due consideration of the foregoing bids, and upon motion of Mr. Miles, seconded by Mr. Tawes, the Board unanimously accepted the bid of Bankers Trust Company, and associates, for the bonds.

CONSERVATION DEPARTMENT:

The Secretary brought to the attention of the Board a communication from Wm. E. Gambrill & Co., quoting prices for additional partitions in the offices of the Conservation Department on the third floor of the new State Office Building, Annapolis.

The Board felt it could not authorize the additional expenditure because of the lack of funds, since any further expenditures would reduce the amount available for the work in the Court of Appeals Building for which it was expected that approximately \$70,000 would be available, and which amount has been reduced to approximately \$26,000 because of the necessity of spending money for unforeseen items in the construction of the new State Office Building.

MILITARY DEPARTMENT:

The Secretary brought to the attention of the Board a communication from Gen. Milton A. Reckord requesting authority for the expenditure of the remaining amount of \$22,000 appropriated to the Military Department in the February 15th, 1940 installment of the General Bond Issue of 1939.

The Board questioned the proposed use of some of this money, particularly that indicated for supplies and repairs, and requested Mr. Kirkman, Director of Budget and Procurement, to look into the matter and report to the Board at the next meeting.

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Mr. Miles stated that he had been contacted by several persons regarding the Dog Show to be held at the 5th Regiment Armory, February 2 and 3, 1940, relative to a decision of General Reckord to withdraw permission previously given to the Club putting on the Show to use the main floor of the Armory, but to allow the use of the exhibition hall instead. Mr. Miles stated that those persons interested in the Dog Show claim that their failure to obtain the use of the main floor would result in a falling off in attendance and a consequent loss of revenue from the Show for the Crippled Children's Fund, for whose benefit the Show is being conducted. It was also stated that a number of important exhibits which would be entered if the Show were held on the main floor, would not be obtainable if the Show were to be held in the exhibition hall. Mr. Miles further stated that while General Reckord had taken the position that he could not spare the use of the main floor of the Armory for the Dog Show, and gave as his reason for cancelling the agreement heretofore entered into with the persons conducting the Show, the necessity of having the floor for drill purposes, he (Mr. Miles) felt sure that General Reckord would not consider it an affront to him if the Board of Public Works were to recommend to him that the agreement entered into for the use of the main floor for the Dog Show be carried out.

The Board felt that since those interested in the Dog Show had made their plans based on the use of the main floor of the Armory and the Crippled Children's Fund would suffer loss of revenue from the Show amounting to approximately \$800.00, it seemed fair that the agreement entered into should be carried out, and the Secretary was instructed to communicate this information to General Reckord.

THE MINERS HOSPITAL:

The Secretary brought to the attention of the Board a letter from The Miners Hospital, dated January 18, 1940, relative to compensation for the Roentgenologist.

The letter was referred to Mr. Kirkman to obtain more information and report to the Board at the next meeting.

MORGAN STATE COLLEGE:

The Board took up the question of the Resolution submitted by the Commission appointed under the provisions of Chapter 331 of the Acts of 1939 relative to the acquisition of Morgan College as a State institution and the disposition of the balance of the funds appropriated in the General Bond Issue of 1939 after payment of the amount necessary to acquire the college for the State.

There will be \$125,000 remaining of the appropriation of \$350,000 in the General Bond Issue of 1939 for the acquisition of Morgan College, and construction and equipment. The Governor received a communication from the Trustees of the College recommending that the unexpended balance of \$125,000 be used for the construction and equipment of a dormitory for women at the institution, and advised the Board that Mr. Albert I. Cassell, had been selected as architect to prepare plans and specifications for the new building subject to the approval of the Board of Public Works.

In the discussion of this matter, the fact that the Board of Trustees of the College had not acted in conformity with the provisions of Chapter 756 of the Acts of 1939, authorizing the General Bond Issue of 1939, was brought out, and that they, contrary to instructions heretofore issued by the Board of Public Works, had engaged an architect for the work without having requested authority from the Board to do this, and without consulting with the Board as to its wishes in the matter. It was felt, however, that in view of the fact that the Board of Trustees of the College had acted and had apparently committed themselves in the matter of the selection of an architect, even though without authority, the request that the selection be approved, should be granted, but it must be understood that the Board of Trustees should refrain in the future from making any commitments of any kind in matters of this kind, and that any authority given in the present instance is not to be considered as a precedent for anyone employed at this time to expect employment in connection with future construction.

It was stated by the Board that the amount of \$125,000 available for the new building and equipment must necessarily include equipment and that in accordance with provisions previously expressed by the Board any equipment which it was possible for the Department of Budget and Procurement to purchase should be handled by that agency and not be included in the general contract.

OYSTER GROUNDS:

The Secretary brought to the attention of the Board a letter addressed to it by The State Law Department, dated January 10, 1940, relative to certain petitions which are pending in the Circuit Court of Somerset County upon judgments in favor of the State recovered in 1915, in proceedings for the condemnation of certain leased oyster grounds.

The Board decided not to take any action in connection with this matter at this time, since it did not want to do anything, one way or the other, in connection with these cases. The question of these cases has been discussed, from time to time, and some attempt was made at the Session of the General Assembly of 1937 to secure an appropriation for the payment of claims for damages but nothing was done at the time, and the Board does not feel disposed to open up the question by anything it might do in connection with the petitions which are now pending in the Circuit Court for Somerset County

ST. MARY'S FEMALE SEMINARY:

The Secretary brought to the attention of the Board a letter from Miss M. Adele France, President, St. Mary's Female Seminary, in which authority was requested to charge-off as uncollectible certain amounts due the institution for tuition by students covering the years 1931-35, inclusive aggregating \$1,378.41.

This request was approved by the Board.

Springfield State Hospital:

The Secretary brought to the attention of the Board a communication from Mr. Henry Powell Hopkins, architect, relative to the complaint made by Elevator Engineering Company in connection with the failure of that company to receive consideration in its efforts to secure a contract for the installation of an elevator at Springfield State Hospital.

The Board felt that while it could not inject itself into the matter to the extent of advising the architect or the general contractor as to the selection of sub-contractors on work for the State, it did feel it desirable to state its policy in connection with the awarding of contracts for State work, and that is that work should be given to the bidder submitting the lowest estimate provided the products of that bidder and the quality of workmanship done by him would be in conformity with the requirements of the State, and the plans and specifications for the work. The Secretary was instructed to pass this information along to Mr. Hopkins.

STATE EMPLOYMENT COMMISSIONER:

The Secretary brought to the attention of the Board a file of correspondence with the State Employment Commissioner and the State Law Department relative to advertising of amendments to the Merit System rules, made necessary by legislation in 1939.

The State Employment Commissioner had advised the Board that the amendments should be advertised in accordance with the rules of the Commission. The Attorney General was requested to advise the Board if this advertising was mandatory. A letter from the Attorney General, dated January 17th, 1940, advised that under Rule No. 4 of the State Employment Commission, it is necessary that amendments be advertised and that the only way to avoid advertising was to amend the rule but advised against the amending of the rule at this time to avoid the expense of advertising. In order to carry out the provisions of Rule No. 4 as to advertising of amendments, the Board agreed to limit the advertising to one insertion in the Daily Record, which would be less expensive than advertising in the other daily newspapers published in Baltimore City.

The Secretary was instructed to advise the State Employment Commissioner to make one insertion of the advertisement in the Daily Record.

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The Secretary brought to the attention of the Board some correspondence from the State Employment Commissioner relative to the question of whether Saturday should be whole day or one-half day for purposes of accounting "leave with pay". In a bulletin issued by the State Employment Commissioner, dated June 9, 1939, it is stated:

"Until further notice, Saturday will be considered a full working day and absence on Saturday will be charged as a full working day against vacation leave".

The Board approved the views of the State Employment Commissioner, as set forth in the Bulletin of June 9, 1939, and the question of whether Saturday should be a whole or half day in accounting "leave with pay".

STATE OFFICE BUILDING:

The Board approved for payment out of the State Office Building Construction Fund, bill of Philip H. Lenderking, Baltimore, dated January 17th, 1940, in the amount of \$136.00 for 2 Waste Paper Boxes, with hinged top slanted with counter weight balance, lined inside with tine same style as furnished at Executive Mansion, fitted with fusible link for fire protection, for use in the basement of the State Office Building, to take care of the waste paper accumulated in that building.

STATE ROADS COMMISSION:

The Governor brought to the attention of the Board a communication from The Pennsylvania Railroad, with blue prints concerning reconstruction of two spans Bear Creek Bridge, No. 9.51, Sparrow's Point Branch, together with some correspondence on the subject passing between the State Roads Commission and The Pennsylvania Railroad relative to this work. Under the law, approval by the Board of Public Works to the proposed reconstruction of these bridges is required. A letter from The Pennsylvania Railroad advises that the War Department, which must approve the construction work, desires that the application of the Pennsylvania Railroad be accompanied by the approval of the Board.

After due consideration, the request of The Pennsylvania Railroad was approved.

STATE TOBACCO WAREHOUSE:

Mr. Miles brought to the attention of the Board the fact that the General Assembly of 1939 passed an Act creating the position of Commissioner of Tobacco Marketing, and authorized a salary of \$2,500 per year and expenses of \$500.00 to the official to be appointed to the position, but that no provisions was made for the payment of this salary and expenses, although the law does authorize the Commissioner to issue licenses at a cost of \$25.00 each, the receipts to go into the General Funds of the State.

It was suggested that the salary and expenses authorized by the Act be payable out of the Budget of the State Tobacco Warehouse, since the work of the Commissioner of Tobacco Marketing is directly related to the matter of handling tobacco grown in this State.

This suggestion was unanimously approved.

UNIVERSITY OF MARYLAND:

The Secretary brought to the attention of the Board a file of correspondence with the University of Maryland relative to a loss of \$28.32 resulting in the liquidation of certificate of stock of the Commonwealth Bank of Baltimore issued in connection with funds deposited in that bank by the University Hospital, at the time of the closing of the bank.

The request of the University of Maryland that the account be reimbursed to the extent of \$28.32 to make good that much of its Working Fund which it is short because of the liquidation of the stock certificate was approved.

WELFARE BOARDS:

The Secretary brought to the attention of the Board a file of correspondence with Association of Chairmen of City and County Welfare Boards of State of Maryland relative to the request of the Association that a Committee appear before the Board for the purpose of discussing the situation of salaries of employes of the Welfare Boards throughout the State.

It was felt that the Board could not give consideration to the matter at this time because of the consideration that is being given to the question of salaries of employes, by the Committee appointed by the Governor looking toward the standardization of salaries. It is expected that the Committee will report in the near future and that nothing could be done until after the report of that Committee has been received and considered.

There being no further business, the meeting was adjourned.


Secretary